Self-reliant and export-oriented Drug Industry

*37. DR. ALLADI P. RAJKUMAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the action taken to make the drug industry self-reliant and export-oriented; and

(b) the investment and incentives proposed for vigorous research and break-through innovations to strengthen the Indian drug industry?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SURESH PRABHU): (a) The action taken to make the drug industry self-reliant and export-oriented, *inter alia,* include: (i) setting up of the National Institute of Pharmaceutical Education and Research for training and educating research-oriented scientists; (ii) setting up of the National Pharmaceutical Pricing Authority, which is at an arm's length from the Government and fixing prices in transparent manner; (iii) setting up of an export cell in the Deptt. of Chemicals and Petrochemicals which is assisting pharmaceutical exporters; and (iv) prompt recognition to R and D centres in pharmaceutical companies.

(b) The import incentives given for research and development, *inter alia,* include: (i) weighted tax deduction @ 125% for sponsored research programmes in approved national laboratories/universities etc.; (ii) a five-year tax holiday to commercial R & D companies; (iii) exempting from price control a new drug which has not been produced elsewhere and which has been developed through indigenous R and D; and (iv) exemption from customs duty to research equipment imported by public funded and non-commercial institutions.